

BEFORE THE
WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION
WASHINGTON, D. C.

ORDER NO. 1321

IN THE MATTER OF:

Application of GREYHOUND AIR-)	Served April 25, 1974
PORT SERVICE, INC., for)	
Authority to Change Tariff)	Application No. 827
)	
)	Docket No. 259

APPEARANCES:

L. C. MAJOR, JR., Attorney for Greyhound Airport Service, Inc.,
applicant.

HENRY G. BARTSCH, appearing pro se and for Montgomery Charter
Service, Inc., intervenor.

IRVING SCHLAIFER, appearing pro se, intervenor.

DONALD J. BALSLEY, JR., Counsel for Washington Metropolitan
Area Transit Commission.

BY THE COMMISSION: Chairman Robert Sullivan, Commissioner
Preston Shannon, and Commissioner William Stratton.

By Application No. 827, filed February 14, 1974, Greyhound
Airport Service, Inc., (Greyhound), seeks approval of WMATC
Tariff No. 13 which would cancel its current WMATC Tariff No. 12.
Greyhound's proposed WMATC Tariff No. 13 would modify the points
to be served and increase the fares to be charged when

transporting passengers and their baggage between Washington National Airport (National) and Dulles International Airport (Dulles) on the one hand, and on the other, points within the Metropolitan District pursuant to its Certificate of Public Convenience and Necessity No. 7. A hearing was held March 26, 1974, pursuant to Order No. 1308, served March 8, 1974, ^{1/} to develop an appropriate record upon which to determine whether the proposed rate structure and the deletion of certain points from the current WMATC Tariff No. 12 would be just, reasonable and not unduly preferential or unduly discriminatory either between riders or sections of the Metropolitan District. Henry G. Bartsch intervened for himself and for Montgomery Charter Service, Inc., and Irving Schlaifer intervened for himself.

The proposed changes to be considered are categorized for purpose of clarity of discussion under general headings designated hereinafter as follows: I. Service Points, II. Amendment of Certificate, III. Rate Structure, and IV. Discussion and Conclusions.

I. SERVICE POINTS

Greyhound's current WMATC Tariff No. 12 denotes numerous specific points from and to which service is to be provided and indicates the applicable fares for the several services. Basically, Greyhound at present offers limousine service between National and specified points (mostly hotels) and the Greyhound Terminal in Washington, D. C., and between National and specified motels in Montgomery County, Maryland. It also provides coach service between Dulles and specified points in Washington, D. C., and limousine service between Dulles and specified motels in Montgomery County, Maryland.

The proposed WMATC Tariff No. 13 would make several substantial modifications in the current tariff. The following points in the current WMATC Tariff No. 12 would be deleted: Airlines Terminal, Greyhound Terminal, Lafayette Hotel, Main Navy Building, Manger Annapolis Hotel, Manger Hamilton Hotel, Shoreham

^{1/} The discussion of Greyhound Airport Service, Inc., and the proposed WMATC Tariff No. 13 contained in Order No. 1308, served March 8, 1974, are incorporated herein by reference.

Hotel, Windsor Park Hotel, American University, Catholic University, Linden Hill Hotel, and National Institutes of Health. It also would delete limousine service between Dulles and the Georgian Motel in Montgomery County. Under the proposed tariff, service to National and Dulles would originate only from specified motels and hotels on a scheduled basis. If implemented, Greyhound would operate to and from National in connection with service at the Statler Hotel and the Washington Hilton Hotel in Washington, D. C.

The deletion of several points has been necessitated by various factors. The Lafayette Hotel, Main Navy Building, Manger Annapolis Hotel, Manger Hamilton Hotel and the Windsor Park Hotel are either no longer structurally present or are no longer used as hotels. Greyhound has terminated its lease on the Airline Terminal, and states that no business was generated at the main Greyhound Terminal. The record indicates that little or no demand for the limousine service was generated at American University, Catholic University or the National Institutes of Health. Likewise, at the Linden Hill Hotel, Greyhound attempted to provide various services and schedules without success. Limousine service between National and the Georgian Motel would be continued, but the current limousine service between Dulles and the Georgian Motel would be shifted to the Sheraton-Silver Spring.

The request for limiting the pick-up points is based on the contention that Greyhound is unable to compete with the taxicabs operating in Washington, D.C. Greyhound submits that persons requesting reservations for limousine service either elect to utilize some alternative means of transportation from the hotel, or fail to cancel reservations for various reasons. Greyhound charges that the taxicab operators are soliciting the passengers, or that the hotel bellhops are convincing the passengers to use taxicabs. The record contains no factual basis to support the allegations that 25 percent of the requested reservations were "no-shows", or that taxicab operators and bellhops had "pirated" Greyhound's customers. However, the record supports the conclusion that Greyhound has not been able to develop sufficient patronage at the various points in Washington from which it no longer is willing to originate limousine service to National.

Two additional matters presented at the hearing relate to the deletion of service from the tariff. First, the record supports the conclusion that group-riding door-to-door sedan service is neither viable nor functional because there has been no public demand of Greyhound for this type of service. Accordingly, the deletion of group-riding door-to-door service from the proposed WMATC Tariff No. 13 will be authorized. Second, Greyhound has admitted on the record that it has failed to perform limousine service to or from Prince George's County, Maryland. Neither the current tariff nor the proposed tariff contain any specific points to be served in Prince George's County, Md. Thus, there is no point which could be deleted from its tariff as a result of the failure of Greyhound to render service under its certificate authority. Any action to amend, modify, or change Greyhound's certificate as to Prince George's County, Md., is properly the subject matter of an investigation or complaint proceeding and should not be considered as part of a rate proceeding engendered by the filing of a revised tariff.

Greyhound would provide limousine service from National on a "demand basis" to specified points within Washington. It also proposes half-hourly service at a quarter past the hour and a quarter to the hour, from 6:00 a.m., through 11:00 p.m., serving specified points in Montgomery County. "Demand basis" service for limousine service means transportation would be provided within 20 minutes after a request is made of the dispatcher between 8:00 a.m., and 11:00 p.m. Limousine service to be provided from the Statler and the Washington Hilton Hotels would be on an hourly basis between 7 a.m., and 7 p.m. Also, limousine service from the specified points in Montgomery County would be available on a reservation basis between 6:00 a.m., and 8:00 p.m.

Service at Dulles would be provided by Greyhound's coach with respect to specified points in Washington, and service would be by limousine with respect to specified points in Montgomery County. The coach service between the Washington Hilton Hotel or Statler Hotel and Dulles would be provided on a half-hour basis from 6:00 a.m., to 11:00 p.m. Limousine service from Dulles to specified points in Montgomery County would be rendered on a "demand basis". Limousine service to Dulles from specified points in

Montgomery County would be provided on a reservation basis between 6:00 a.m., and 8:00 p.m.

The limousine service provided by Greyhound from and to National and Dulles is performed in maxi-wagons, van-type vehicles, with 11-passenger capacity. The coach service performed between Dulles and Washington, D. C., is rendered in vehicles with seating capacity of 40-passengers or more.

II. AMENDMENT OF CERTIFICATE

Our order assigning Greyhound's proposed WMATC Tariff No.13 for hearing indicated our interest in whether the service reductions require an appropriate amendment of Greyhound's outstanding certificate. The substantial modifications proposed present this Commission with the issue whether the major reductions in service herein effected require an appropriate certificate amendment. That issue involves two interdependent considerations.

First, Greyhound has a duty to furnish transportation as authorized by its certificate. See Title II, Article XII, Section 3 of the Compact and Regulation No. 63-01. The certificate of Greyhound provides authorization for the transportation of passengers between either National or Dulles and points in the Metropolitan District, except points in Virginia. It is our view that the Certificate must be interpreted as meaning that Greyhound could be compelled to provide service to and from any particular point in Maryland or Washington, whether the point be, for example, private homes, apartment buildings, office buildings, hotels or motels. See Title II, Article XII, Sections 4(g) and 13(c) of the Compact. However, Greyhound appears not to accept this interpretation of the duties imposed upon it by the certificate it holds. Actually, the tariff filed with the Commission in this proceeding specifies with particularity Greyhound's choice of points to be served and the amount of the fares to be charged. The tariff thus becomes the expression of the restricted service that Greyhound is willing to perform within its broad certificated authority.

Thus, it would appear to be reasonable for this Commission

to limit the Greyhound certificate to accord with the services specified by Greyhound in its proposed WMATC Tariff No. 13. In effect, Greyhound has requested a modification of its certificated operating authority. See Title II, Article XII, Section 4(g) of the Compact.

The second consideration concerns the appropriate method by which the certificate of Greyhound could be amended other than at the carrier's initiative. Title II, Article XII, Section 4(g) provides for the amendment, revocation, or change, in whole or in part, of a certificate. No provision of the Compact mandates that this Commission modify a certificate on the basis of a request for a deletion of service or service points proposed in the reissuance of an effective tariff. If the Commission seeks the change, the Compact's procedural requirements of notice, hearing, and order based on a record must be followed. The instant proceeding is not the proper one for the amendment of the certificate. Therefore, the Commission shall initiate the proper proceeding as provided in the Compact, Title II, Article XII, Section 4(g).

III. RATE STRUCTURE

The fixing of an increase in an effective rate structure involves two general determinations. Initially, the operating expenses of the carrier in the future must be projected. Then, rates must be prescribed which would result in sufficient revenues to enable the carrier to earn a reasonable return. The following discussion will treat separately operating revenue deductions, operating revenues, and operating ratios for the purpose of determining the rate structure to be authorized.

A. OPERATING REVENUE DEDUCTIONS

For purposes of forecasting the operating expenses to be incurred by Greyhound, the actual experience of operations during the months of January and February 1974 were used as the historical period. This extremely limited time frame has been necessitated by the change in operations resulting from the elimination of Greyhound's taxicab service at National. The initiation of an open-cab system at National as of January 1, 1974, has caused Greyhound to lose a large source of revenues. Thus, Greyhound's

proposed WMATC Tariff No. 13 is more closely comparable to issuance of a new tariff rather than to proposed changes in an existing tariff. In this unique situation, the use of only two months of operating experience is justified, and, under the circumstances, is found to be reasonable.

The operating results of Greyhound for January and February 1974; the projected operations for 1974 per month; and the monthly base period expenses adopted by the Commission are contained in Appendices E, F, G, and H, attached hereto. These appendices contain the revenues and revenue deductions pertaining to coach, limousine, taxicab and open-cab operations, respectively. Several of the items contained therein require explanation.

Supervision. Greyhound projects a 5.5 percent increase in the salaries currently paid to its supervisory personnel. The record before the Commission indicates that the proposed increase merely states a policy arrived at unilaterally by Greyhound and that an increase may be made in supervisory salaries by some amount not to exceed 5.5 percent of the current salary. We will not accept the proposed increase in projecting the future period expenses. The total amount of salary to be paid in the future period to the supervisory personnel is not predictable and the record does not justify acceptance of the proposed amounts.

Wages. Greyhound has stated that when it negotiates its contract with the drivers of its vehicles it would propose a maximum increase of 5.5 percent. Contract negotiations have not commenced, and any estimate of the eventual settlement would be speculative. We will not accept the projection of an increase in wages which is based on future negotiations.

A matter related to the estimate of wage expense involves the compensation paid to taxicab drivers. At present, these drivers receive 45 percent of the meter revenue. The expense allowed will be on the basis of 45 percent of the projected passenger revenues derived from taxicab operations.

A derivative expense item is payroll taxes. Under the existing tax laws, the amount of payroll taxes paid by an employer are dependent upon the wages paid. Thus the payroll tax

expense has been adjusted to correspond with our determinations made in respect to salaries and wages.

Fuel. Greyhound uses 19,500 gallons of diesel fuel per month in operating its coaches, 5,500 gallons of gasoline per month in operating its limousines, and 19,500 gallons of gasoline per month in operating its taxicabs. The base cost of diesel fuel is 30.5 cents per gallon and the base cost of gasoline is 24.5 cents per gallon. Greyhound, in purchasing fuel, incurs 13 cents per gallon in taxes.

Greyhound submits that the cost of its fuel will increase by 10 cents per gallon by the end of the year. The projected expense involved the use of a 5 cent increase over the present cost. The record indicates that the estimated increase primarily is based on the increase in fuel costs over the past several months.

The record before the Commission supports our conviction that it would not be reasonable to project any change in fuel costs. The present situation in the economy is so tenuous that it makes any forecasting a matter of chance. Thus, we shall use the current cost of the fuel and the current fuel consumption rates in determining the projected fuel cost per month.

Equipment Rents. Greyhound has entered leasing agreements with its parent corporation, Greyhound East, for the use of 17 coaches. Greyhound pays an average of \$350 per coach per month or a total of \$5,950 per month for the use of such vehicles. The actual amount of leasing expense exceeded this figure during the historical period because Greyhound was obliged to lease additional equipment to handle the needs of passengers arriving on flights diverted from scheduled airline flights. However, there is no means by which the diversionary flight demands can be satisfactorily estimated for a future period. Thus, the leasing cost of \$5,950 per month will be used in projecting the expense for coaches.

Terminal Rents. The record indicates that Greyhound pays rent for facilities at the Washington Hilton Hotel and Statler Hotel. The cost is \$250 per month at the Washington Hilton Hotel.

At the Statler Hotel, Greyhound shares space with another occupant and pays 50 percent of the \$900 per month rental fee. The amount of \$700 will be used in projecting the terminal rents. The difference between this amount and the \$950 per month used by Greyhound is not explained in the record.

Administrative & General. The several items of expense grouped under this heading are not projected as increasing or decreasing. However, before accepting the amounts allocated to each of the various operations, it is necessary that we indicate how the allocation was made by Greyhound. These expense items are not allocated on the books of Greyhound to the different operations performed by it and no attempt has been made to relate the amount of expense attributable to each operation on the basis of revenue, mileage or passengers carried. The allocations merely involved a straight division of the total dollar amount among the several operations. Our acceptance of the projected expenses should not be considered to be approval of the allocation method. Rather, the adoption of the allocations is based on the fact that the record before us contains no persuasive reason for not allowing the several projections.

B. OPERATING REVENUES

The amount of revenue generated by Greyhound for any future period is dependent upon the number of passengers it transports and the fare charged each passenger. In an attempt to forecast the revenues to be generated, Greyhound submitted an analysis of passengers carried by the various vehicles operated to and from Dulles or National for the year 1973, for the months of January and February 1973, and for the months of January and February 1974. The number of passengers carried and the average number per month for the months of January and February in 1973 and in 1974 are reproduced in Appendix B, attached hereto. The proposed ridership pattern for future annual periods and the actual average number carried in the historical period are set forth in Appendix C, attached hereto.

The projected revenues proposed by Greyhound are set forth in Appendices E and F, attached hereto, and are based upon estimates of the annual ridership. The difference between the revenues

proposed by Greyhound and those used by the Commission is the result of two factors. First, we believe that the average number of passengers per month for the historical period should be used for each month in the future period. Second, based upon the foregoing findings as to revenue deductions, we believe that the proposed fares are not justified by the record.

Greyhound's ridership figures reflect only the number of passengers carried by coach, limousine, and taxicab. There is no indication of the number of persons or the number of groups using Greyhound's charter service. Also, no statement of justification or rationale is offered for the proposed increase in charter rates. We are of the opinion that the increase in charter rates contained in proposed WMATC Tariff No. 13 should be denied.

The revenues expected to be generated under the fare structure proposed by Greyhound are shown in Appendix D, attached hereto and the financial results under the proposed fare structure is set forth in Appendix I, attached hereto. Under the proposed fare structure, and assuming no change in the revenues derived from the taxicab operation and the open-cab operation, Greyhound would receive total revenues from all operations of \$231,724 per month. We therefore find that the total net operating income from all operations would be \$29,675 per month, or a rate of return on gross revenues of 12.8 percent. Thus, we find that the fare structure contained in proposed WMATC Tariff No. 13 would be unjust and unreasonable in that it would involve a discriminatory and wholly unjustified rate structure.

C. OPERATING RATIOS

There exists a disparity among the proposed operating ratios for each of Greyhound's several operations. The coach service would have an operating ratio of 83.14 percent; the limousine service would have an operating ratio of 105.85 percent; the taxicab service would have an operating ratio of 101.83 percent; and the open-cab operation would have an operating ratio of 74.39 percent. The record indicates that the coach service and open-cab operation would provide an unreasonably high return which could be used to offset the loss incurred in performing the limousine service and taxicab service. Thus the proposed rates for coach service would be unreasonable and unjust because they would result in the coach service passenger subsidizing the

limousine service and taxicab service.

IV. DISCUSSION AND CONCLUSIONS

In attempting to prescribe a reasonable and just rate structure, the Commission has been guided by the several precepts contained in Title II, Article XII, Section 6. In particular the following mandate in Section 6(a)(3) has been observed.

In the exercise of its power to prescribe just and reasonable fares and regulations and practices relating thereto, the Commission shall give due consideration, among other factors, to the inherent advantages of transportation by such carriers; to the effect of rates upon the movement of traffic by the carrier or carriers for which the rates are prescribed; to the need, in the public interest, of adequate and efficient transportation service by such carriers at the lowest cost consistent with the furnishing of such service; and to the needs of revenues sufficient to enable such carriers, under honest, economical and efficient management, to provide such service.

The Commission believes that service between National or Dulles and points within the Metropolitan District should continue to be available to the travelling public. The public would benefit from such service, and it would represent a reasonable alternative to use of private automobile.

As the foregoing discussion clearly indicates, we have found that the proposed tariff is unjust or unreasonable and may be unduly discriminatory or unduly preferential between riders or sections of the Metropolitan District. Pursuant to the mandate of the Compact, Title II, Article XII, Section 6(a)(2), we shall prescribe a new rate structure.

The major consideration by the Commission in determining the rate structure prescribed herein has been the need in the public interest for adequate and efficient transportation by Greyhound. We also are concerned with determining the lowest cost consistent

with the furnishing of the proposed transportation. Our consideration necessarily involves two factors: first, the amount of revenues necessary to provide Greyhound sufficient operating funds to perform the proposed service; and second, a reasonable cost to the individual passenger.

Increases in the cost of transportation historically have resulted in a decline in the movement of traffic. Greyhound submits that its proposed rates would cause only 0.02 percent decline in ridership. The determination of the amount of decline, if any, that would occur in a captive market is extremely difficult. Because of the character of the airport operations, Greyhound's primary source of passengers are users of airline services. A decline in the number of flights or an increase in the cost of travelling by air may result in a smaller pool of persons from which Greyhound could draw passengers. Also, a comparison of the current cost of transportation by taxicab with the proposed fares by limousine or coach indicates that Greyhound's coach service would continue to be less costly to the public. Moreover, the people who use coach service may belong to a class of persons that could not readily utilize other modes of transportation. For all these reasons, the Commission elects to project future passenger figures on the basis of the actual number carried during the historical period.

The Commission has determined that the following rate structure would be reasonable.

Limousine Service at National

Zone 1	\$2.00
Zone 2	\$2.50
Zone 3	\$3.00
Zone 4	\$3.50
Maryland	\$4.00

Limousine Service at Dulles

District of Columbia	\$3.75
Maryland	\$4.00

Coach Service at Dulles

District of Columbia	\$3.75
Maryland	\$4.00

As is indicated by the computations in Appendices D and I, attached hereto, this rate structure should generate \$225,372 per month in operating revenues. The net operating income would be \$23,438 per month, providing a rate of return of 10.4 percent. That level of rate of return appears to be unusually high. However, the Commission believes that the dollar amount of net operating income of \$23,438 per month is justified by the record. The Commission has not allowed any salary or wage increase and has considered only the current cost of fuel in a highly unstable market. Moreover, Greyhound currently is not paying a rental fee for the use of facilities at National. Thus, under these circumstances, we are of the opinion that the rate structure set forth herein would generate sufficient revenues to enable the carrier to provide adequate and efficient transportation services.

The rate structure would result in varying rates of return for Greyhound's several operations. The following rates of return would be realized: coach service -- 16.10 percent limousine service -- 1.30 percent, taxicab service -- 0.40 percent, and open-cab operations -- 28.39 percent. We are of the opinion that the rates of return which would result from the rate structure fixed by us are justified by the record. First, the allocation of administrative and general expenses was not based on any relationship of the individual expense items to the operations performed. The allocation of these items on a different basis could result in a higher rate of return for limousine service and taxicab operation and a lower rate of return for coach service. Second, the coach service properly should absorb a larger portion of any additional expenses incurred by Greyhound as the result of action by the Federal Aviation Administration (FAA) in fixing a rental fee on Greyhound's use of facilities on its property. The coach service would be the proper operation upon which to allocate a large portion of these expenses because it has the greatest number of passengers and generates the most revenue. Thus, the dollar amount of return realized from the

coach service would be reduced by proper allocation of expenses and the additional expenses resulting from the action of the FAA.

An additional matter still is pending. Greyhound filed with its application a petition requesting that the proposed WMATC Tariff No. 13 be effective for six months from the effective date of our order. We indicated in our prior order setting this matter for hearing that we would preserve this request until the time that we rendered a dispositive decision on the suspended WMATC Tariff No. 13.

Greyhound has not directed us to any provision of the Compact which would permit us to approve a fixed period of time for the tariff. We are not aware of any provision. Thus, the rate structure prescribed herein shall be in effect until further order of the Commission.

The other matters pressed by the parties have been considered and found not to warrant action contrary to that which is now directed.

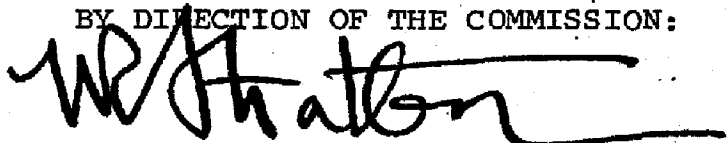
THEREFORE, IT IS ORDERED:

1. That Application No. 827 of Greyhound Airport Service, Inc., for approval of WMATC Tariff No. 13 cancelling its current WMATC Tariff No. 12 be, and it is hereby, denied.

2. That the points and fares set forth in Appendix A, attached hereto and made a part hereof, be, and they are hereby, authorized.

3. That Greyhound Airport Service, Inc., be, and it is hereby authorized to file two copies of a tariff schedule, including rules and regulations, in lieu of the proposed WMATC Tariff No. 13, containing the provisions set forth in Appendix A, attached hereto. Such tariff shall become effective on five (5) days notice.

BY DIRECTION OF THE COMMISSION:



WILLIAM R. STRATTON
Commissioner

APPENDIX A

GREYHOUND AIRPORT SERVICE, INC.

Prescribed Fares and Charges

LIMOUSINE SERVICE*

FROM Washington National Airport TO:

Ambassador Hotel	\$ 2.00
Executive House	\$ 2.00
Harrington Hotel	\$ 2.00
Holiday Inn (Central)	\$ 2.00
Holiday Inn (Downtown)	\$ 2.00
Howard Johnson Motel	\$ 2.00
Madison Hotel	\$ 2.00
Manger Hay-Adams Hotel	\$ 2.00
Mayflower Hotel	\$ 2.00
Pick Lee House	\$ 2.00
Roger Smith Hotel	\$ 2.00
Sheraton Carlton Hotel	\$ 2.00
Statler Hotel	\$ 2.00
Dupont Plaza Hotel	\$ 2.50
Sheraton Park Hotel	\$ 2.50
Washington Hilton Hotel	\$ 2.50
Connecticut Inn	\$ 3.00
Walter Reed Army Hospital	\$ 3.50
Bethesda Motel	\$ 4.00
Chevy Chase Motor Lodge	\$ 4.00
Georgian Motel	\$ 4.00
Ramada (formerly Governor's)	\$ 4.00
In-Town -- Chevy Chase	\$ 4.00
Sheraton-Silver Spring	\$ 4.00
Howard Johnson-Wheaton Plaza	\$ 4.00

TO Washington National Airport FROM:

Statler Hotel	\$ 2.00
Washington Hilton Hotel	\$ 2.50
Connecticut Inn	\$ 3.00

Walter Reed Army Hospital	\$ 3.50
Bethesdan Motel	\$ 4.00
Chevy Chase Motor Lodge	\$ 4.00
Georgian Motel	\$ 4.00
Ramada (formerly Governor's)	\$ 4.00
In-Town -- Chevy Chase	\$ 4.00
Sheraton-Silver Spring	\$ 4.00
Howard Johnson-Wheaton Plaza	\$ 4.00

FROM Dulles International Airport TO:

Bethesdan Motel	\$ 4.00
Ramada (formerly Governor's)	\$ 4.00
Howard Johnson Motel	\$ 4.00
Sheraton-Silver Spring	\$ 4.00

TO Dulles International Airport FROM:

Bethesdan Motel	\$ 4.00
Ramada (formerly Governor's)	\$ 4.00
Howard Johnson Motel	\$ 4.00
Sheraton-Silver Spring	\$ 4.00

COACH SERVICE**

FROM Dulles International Airport TO:

Ambassador Hotel	\$ 3.75
Dupont Plaza Hotel	\$ 3.75
Executive House	\$ 3.75
Holiday Inn (Central)	\$ 3.75
Holiday Inn (Downtown)	\$ 3.75
Howard Johnson Motel	\$ 3.75
Madison Hotel	\$ 3.75
Mayflower Hotel	\$ 3.75
Sheraton Park Hotel	\$ 3.75
Statler Hotel	\$ 3.75
Washington Hilton Hotel	\$ 3.75

TO Dulles International Airport FROM:

Statler Hotel	\$ 3.75
Washington Hilton Hotel	\$ 3.75

CHARTER SERVICE

Between Washington National Airport or Dulles International Airport and any point within Washington, D. C., or Montgomery County, Maryland.

<u>¢ Per</u> <u>Live Mile</u>	<u>¢ Per</u> <u>Dead Mile</u>	<u>Costs Per</u> <u>Hour</u>	<u>Minimum</u> <u>Charge</u>
(A) 11-passenger vehicle:			
45¢	30¢	\$12.50	\$37.50
(B) 40-passenger vehicle or larger:			
75¢	45¢	\$15.00	\$75.00

* Limousine service to be provided in maxi-wagons, van-type vehicles with 11-passenger seating capacity only.

** Coach service to be provided in motor coach vehicles with seating capacity for forty (40) or more passengers, only.

APPENDIX B

GREYHOUND AIRPORT SERVICE, INC. Analysis of Passengers

	YEAR 1973 <u>1/</u>		YEAR 1973 <u>2/</u>		YEAR 1974 <u>3/</u>		YEAR 1973 <u>4/</u>		YEAR 1974 <u>5/</u>	
	FROM AIRPORT	TO AIRPORT	FROM AIRPORT	TO AIRPORT	FROM AIRPORT	TO AIRPORT	FROM AIRPORT	TO AIRPORT	FROM AIRPORT	TO AIRPORT
<u>WNA LIMOUSINE</u>										
Zone 1	76,341	12,831	10,876	2,253	3,592	105	5,438	1,127	1,796	53
Zone 2	30,073	8,201	4,112	1,418	1,650	86	2,056	709	825	43
Zone 3	762	40	106	9	33	-	53	5	17	-
Zone 4	3,327	10	390	3	255	-	195	2	128	-
Maryland	51,081	32,928	9,982	5,839	8,127	6,173	4,991	2,920	4,064	3,087
<u>DIA LIMOUSINE</u>										
District of Columbia	220	32	54	10	16	-	27	5	8	-
WNA	1,560	1,414	348	299	138	137	174	150	69	69
Maryland	5,762	1,748	1,067	242	1,098	90	534	121	549	45
<u>SEDAN SERVICE</u>										
	333	-	4	-	2	-	2	-	1	-
<u>COACH</u>										
District of Columbia	98,866	80,934	16,232	11,498	14,854	11,953	8,116	5,749	7,427	5,977
WNA	53,178	42,052	6,931	4,570	8,476	7,146	3,466	2,285	4,238	3,573
Maryland	9,183	2,734	1,674	907	1,328	75	837	454	664	38

1/ Totals for the full 12 month period.

2/ Totals for months of January and February 1973.

3/ Totals for months of January and February 1974.

4/ Average per month of first two months of 1973.

5/ Average per month of first two months of 1974.

APPENDIX C

GREYHOUND AIRPORT SERVICE, INC. Proposed Ridership Pattern

	Proposed YEAR <u>1974</u>	Proposed Ave. per mo. <u>1974</u>	Ave. per mo. based ON ACTUAL <u>1/</u>
<u>WNA LIMOUSINE</u>			
Zone 1	21,600	1,800	1,849
Zone 2	10,200	850	868
Zone 3	200	17	17
Zone 4	1,500	125	128
Maryland	84,000	7,000	7,151
<u>DULLES LIMOUSINE</u>			
District of Columbia	200	17	8
WNA	1,500	125	138
Maryland	7,500	625	594
<u>COACH</u>			
District of Columbia	170,000	14,167	13,404
WNA	90,000	7,500	7,811
Maryland	8,500	708	702

1/ Actual number carried on average per month for the months of January and February 1974.

APPENDIX D

GREYHOUND AIRPORT SERVICE, INC. Projected Revenues

	Average No. of Passengers/month	X	PROPOSED FARE FARE	= REVENUES	PREScribed FARE	= REVENUES
<u>WNA LIMOUSINE</u>						
Zone 1	1,849		\$ 2.00	\$ 3,698		
Zone 2	868		2.50	2,170		
Zone 3	17		3.00	51		
Zone 4	128		3.50	448		
Maryland	7,151		4.00	28,604		
TOTAL				\$34,971		\$34,971
<u>DIA LIMOUSINE</u>						
District of Columbia	8		\$ 4.00	= \$ 32	\$ 3.75	\$ 30
WNA	138		4.00	= 552	3.50	483
Maryland	594		4.25	= 2,525	4.00	2,376
TOTAL				3,109		2,889
<u>COACH</u>						
District of Columbia	13,404		4.00	= \$52,316	\$ 3.75	\$50,265
WNA	7,811		4.00	= 31,244	3.50	27,339
Maryland	702		4.25	= 2,984	4.00	2,808
TOTAL				\$86,544		80,412

APPENDIX E

GREYHOUND AIRPORT SERVICE, INC. Income Statement - Coach

	1974 ACTUAL ^{1/} (Month)	1974 PROPOSED (Month)	1974 BASE (Month)
REVENUES			
Passenger	\$ 68,900	\$ 83,400	\$ 80,412
Charter	4,100	4,900	4,100
Total	\$ 73,000	\$ 88,300	\$ 84,512
EXPENSES			
Maintenance	\$ 7,625	\$ 7,625	\$ 7,625
Tire Expense	1,401	1,401	1,401
Transportation			
Supervision	7,385	7,791	7,385
Wages	23,317	24,599	23,317
Fuel	3,891	6,259	5,948
Other	967	967	967
Commissions	118	118	118
Traffic Personnel & Safety			
BI & PD Insurance	\$ 2,592	\$ 2,592	\$ 2,592
Other	1,518	1,540	1,647
Administrative & General			
Salaries	\$ 1,560	\$ 1,560	\$ 1,560
Employee Welfare	2,012	2,012	2,012
Joint Operating	1,059	1,059	1,059
Other	1,622	1,622	1,622
Depreciation			
Revenue Equipment	\$ 364	\$ 364	\$ 364
Other	1,348	1,348	1,348
Taxes			
Fuel	\$ 2,477	\$ 2,477	\$ 2,477
Payroll	2,124	2,234	2,124
License & Registration	200	200	200
Other	511	511	511
Rents			
Equipment Rents	\$ 6,186	\$ 6,186	\$ 5,950
Terminal Rents	3,244	950	700
TOTAL OPERATING EXPENSES	\$ 71,521	\$ 73,415	\$ 70,927
NET INCOME BEFORE TAX	\$ 1,479	\$ 14,885	\$ 13,585
OPERATING RATIO	97.97	83.14	83.90

^{1/} Average per month of each item for January and February 1974.

APPENDIX F

GREYHOUND AIRPORT SERVICE, INC. Income Statement - Limousines

	1974 ACTUAL <u>1/</u> (Month)	1974 PROPOSED (Month)	1974 BASE (Month)
REVENUES			
Passenger	\$ 33,400	\$ 36,200	\$ 37,860
Charter	1,500	1,800	1,500
Total	\$ 34,900	\$ 38,000	\$ 39,360
EXPENSES			
Maintenance	\$ 1,666	\$ 1,500	\$ 1,500
Tire Expense	517	517	517
Transportation:			
Supervision	3,018	3,184	3,018
Wages	17,078	18,017	17,078
Fuel	1,180	1,610	1,348
Other	2,131	2,131	2,131
Traffic Personnel & Safety			
BI & PD Insurance	1,048	1,048	1,048
Other	799	813	871
Administrative & General			
Salaries	1,559	1,559	1,559
Employee Welfare	1,948	1,948	1,948
Joint Operating	973	973	973
Other	1,621	1,621	1,621
Depreciation			
Other	370	370	370
Taxes			
Fuel	839	839	839
Payroll	1,560	1,632	1,560
License & Regi- stration	50	50	50
Other	400	400	400
Rents			
Equipment & Costs	1,129	2,010	2,010
TOTAL OPERATING EXPENSES:	\$37,886	\$40,222	\$38,841
NET INCOME BEFORE TAX (2,986)		(2,982)	519
OPERATING RATIO	108.56	105.85	98.70

1/ Average per month of each item for January and February 1974.

APPENDIX G

GREYHOUND AIRPORT SERVICE, INC. Income Statement - Taxicabs

	1974 ACTUAL ^{1/} (Month)	1974 PROPOSED (Month)	1974 BASE (Month)
REVENUES			
Passenger	\$ 59,000	\$ 69,600	\$ 69,600
EXPENSES			
Maintenance	\$ 7,614	\$ 3,000	\$ 3,000
Tire Expense	929	929	929
Transportation			
Supervision	3,649	3,850	3,649
Wages	26,602	33,043	33,043
Fuel	3,634	5,854	4,778
Other	1,150	1,150	1,150
Commissions	115	115	115
Traffic Personnel & Safety			
BI & PD Insurance	3,917	3,763	3,763
Other	964	1,049	964
Administrative & General			
Salaries	1,559	1,559	1,559
Employee Welfare	1,948	1,948	1,948
Joint Operating	973	973	973
Other	2,073	2,073	2,073
Depreciation			
Revenue Equipment	5,624	5,624	5,624
Other	277	277	277
Taxes			
Fuel	2,722	2,722	2,535
Payroll	2,010	2,442	2,442
License & Registration	125	125	125
Other	375	375	375
TOTAL OPERATING EXPENSE	\$ 66,260	\$ 70,871	\$ 69,322
NET INCOME BEFORE TAX	(7,260)	(1,271)	278
OPERATING RATIO	112.31	101.83	99.60

^{1/} Average per month of each item for January and February 1974.

APPENDIX H

GREYHOUND AIRPORT SERVICE, INC. Income Statement - Open Cab Operations

	1974 ACTUAL <u>1/</u> (Month)	1974 PROPOSED (Month)	1974 BASE (Month)
REVENUES			
Passenger -	\$ 31,900	\$ 31,900	\$ 31,900
EXPENSES			
Transportation	\$		
Supervision	\$ 14,968	\$ 15,791	\$ 14,968
Other	359	359	359
Traffic Personnel & Safety			
Other	210	220	210
Administrative & General			
Salaries	1,560	1,560	1,560
Employee Welfare	927	927	927
Joint Operating	973	973	973
Other	1,354	1,354	1,354
Depreciation			
Other	52	52	52
Taxes			
Payroll	2,166	2,220	2,166
Other	275	275	275
TOTAL OPERATING EXPENSE:	\$ 22,844	\$ 23,731	\$ 22,844
NET INCOME BEFORE TAX:	\$ 9,056	\$ 8,196	\$ 9,056
OPERATING RATIO:	71.61	74.39	71.61

1/ Average per month of each item for January and February 1974.

APPENDIX I

GREYHOUND AIRPORT SERVICE, INC.

PROJECTED FINANCIAL CONDITION 1/

	<u>PROPOSED FARES</u>		<u>PRESCRIBED FARES</u>	
REVENUES				
COACH				
Passenger	\$ 86,544		\$ 80,412	
Charter	<u>4,100</u>		<u>4,100</u>	
Total		\$ 90,644		\$ 84,512
LIMOUSINE				
Passenger	\$ 38,080		\$ 37,860	
Charter	<u>1,500</u>		<u>1,500</u>	
Total		\$ 39,580		\$ 39,360
TAXICAB				
Passenger		\$ 69,600		\$ 69,600
OPENCAB OPERATIONS		<u>\$ 31,900</u>		<u>\$ 31,900</u>
TOTAL REVENUES		\$231,724		\$225,372
OPERATING REVENUE DEDUCTIONS				
COACH		\$ 71,037		\$ 70,927
LIMOUSINE		38,846		38,841
TAXICAB		69,322		69,322
OPEN CAB OPERATIONS		<u>22,844</u>		<u>22,844</u>
TOTAL DEDUCTIONS		\$202,049		\$201,934
NET OPERATING INCOME		<u>\$ 29,675</u>		<u>\$ 23,438</u>
OPERATING RATIO		.872		.896
RATE OF RETURN		.128		.104

1/ Assuming that the same number of passengers travel each month in the future period as travelled on the average in the historical period.